

**DETERMINATION AND FINDINGS
FOR
SOLE SOURCE CONTRACT EXTENSION**

AGENCY: Department of Human Resources (DCHR)

CONTRACT NO.: CW38983

CONTRACTOR: Benefit Resource Inc. (BRI)

CAPTION: Commuter Benefits Program/Flexible Spending Administration

FINDINGS

1. AUTHORIZATION:

D.C. Official Code §2-354.04, 27DCMR Section 1304, 1700, 1701, 2008 and Section 2005.2(b)

2. MINIMUM NEED:

The District of Columbia Office of Contracting and Procurement (OCP), on behalf of the Department of Human Resources (DCHR), has need to continue services awarded under the Commuter Benefits Program/Flexible Spending Administration contract for the period of January 1, 2020 through December 31, 2020. These services are currently provided under contract number CW38983.

3. ESTIMATED REASONABLE PRICE:

The estimated price of the contract extension shall not exceed \$250,000.00.

4. FACTS WHICH JUSTIFY SOLE SOURCE PROCUREMENT:

The current Commuter Benefits Program/Flexible Spending Administration contract period of performance expires on December 31, 2019. A sole source contract extension is needed to ensure a continuation of specialized assistance services as the District prepares a new solicitation for competition. Benefit Resource, Inc. (BRI) performance under the current contract has been satisfactory.

BRI administer the District's Flexible Spending and Commuter Benefit Programs for approximately 18,500 District employees, in accordance with IRS regulation Section 132(f).

BRI has provided flexible spending and commuter benefits programs to the District's employees continuously since September 3, 2015 and has been a valued District partner satisfying the requirement and providing quality services in a manner consistent with the terms of their contract.

Awarding a contract to another source at this stage in the contracting process would cause delay in fulfilling the DCHR's current requirements. Furthermore, any interruption in the continued delivery of these specialized services could result in apparent and unforeseen consequences that result when these important support services are not available to employees with a critical need. Therefore, continuation of services under the current contract is in the best interest of the District.

BACKGROUND:

On September 17, 2019, the Office of Contracting and Procurement (OCP) solicited a request for proposal for flexible spending and commuter benefits, but no responsive bids were received at the closing date and time. The District is facilitating a new solicitation and has implemented a plan for award of new contract. A request for proposal solicitation for a new commuter benefits contract will be issued to allow award of the contract by September 1, 2020. Under this approach, services under the existing contract must remain in operation during the solicitation, award, and transition phases of the new contract.

When the new flexible spending and commuter benefits contract is awarded it will contain a four (4) month, no-cost Base Period to allow coordination with the new provider and a smooth transition to fully integrate and operational services. Subsequent to the four (4) month Base Period there will be four (4) one-year Option Periods that will be concurrent with the District's delivery of Healthcare Benefits to Government employees and their dependents.

5. FACTS THAT JUSTIFY THE SOLE SOURCE CONTRACT EXTENSION

The Office of Contracting and Procurement (OCP) has provided the Contractor written notice of the District's intent to extend the contract terms for a one (1) year period commencing January 1, 2020 through December 31, 2020.

In determining to exercise the option, the Contracting Officer considered the following:

- a) The requirement covered by the option fulfills an existing District need;
- b) Sufficient budget authority is available;
- c) The exercise of the option will be the most advantageous method of fulfilling the District's need, when price and other factors are considered; and
- d) The need for and importance to maintain continuity in the delivery of these critical services.

6. CERTIFICATION BY AGENCY HEAD:

I hereby certify that the above findings are true, correct and complete.

Date

Ventris C. Gibson
Director
Department of Human Resources

7. CERTIFICATION BY CONTRACTING OFFICER:

I have reviewed the above findings and certify they are sufficient to justify the use of the sole source method of procurement under the cited authority. I certify the notice of intent to award a sole source contract was published in accordance with 27 DCMR 1304 and no response was received. I recommend the Chief Procurement Officer approve the use of the sole source procurement method for this proposed contract.

Date

Nicole Smith-McDermott
Contracting Officer

8. DETERMINATION:

Based on the above findings and in accordance with the cited authority, I hereby determine it is not feasible or practical to invoke the competitive solicitation process under either Section 402 or 403 of the District of Columbia Procurement Practices Reform Act of 2010 (D.C. Law 18-371; D.C. Official Code § 2-354.04 and 27 DCMR sec. 2005.6(b). Accordingly, I determine the District is justified in using the sole source method of procurement. The justification to use sole source is in the best interest of the District.

Date

George A. Schutter III
Chief Procurement Officer
Office of Contracting and Procurement